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Retail NZ



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UNIVERSITY OF NEW ZEALAND

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‘Big Issues’ in Retail Survey 2015/6

Centre for Advanced Retail Studies (CARS)
Massey Business School

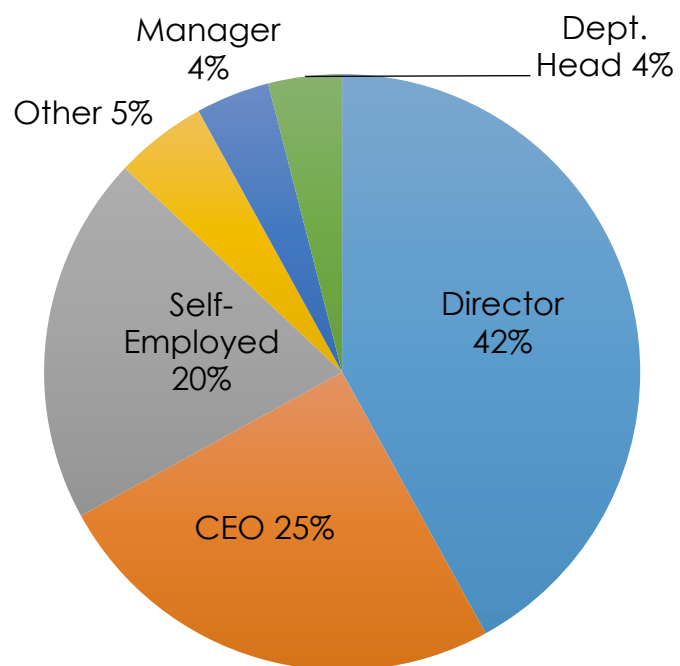


Headline results

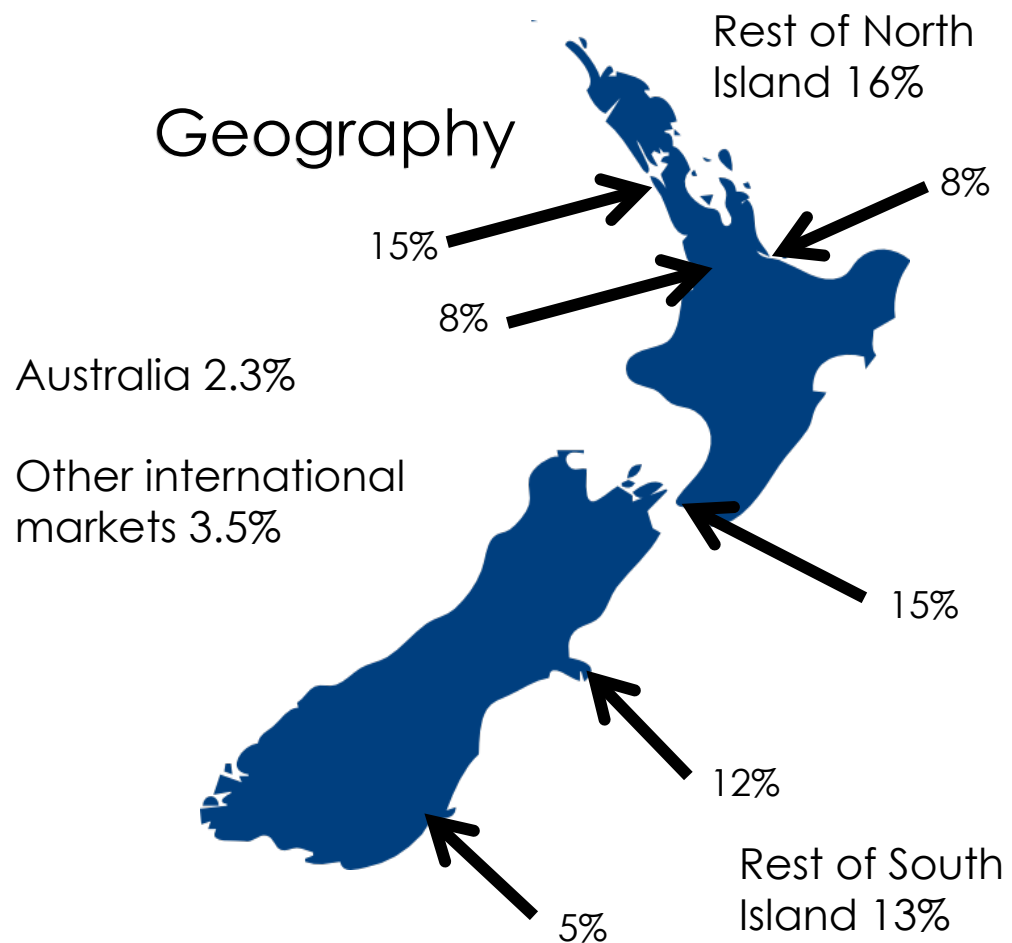


Total sample: 263

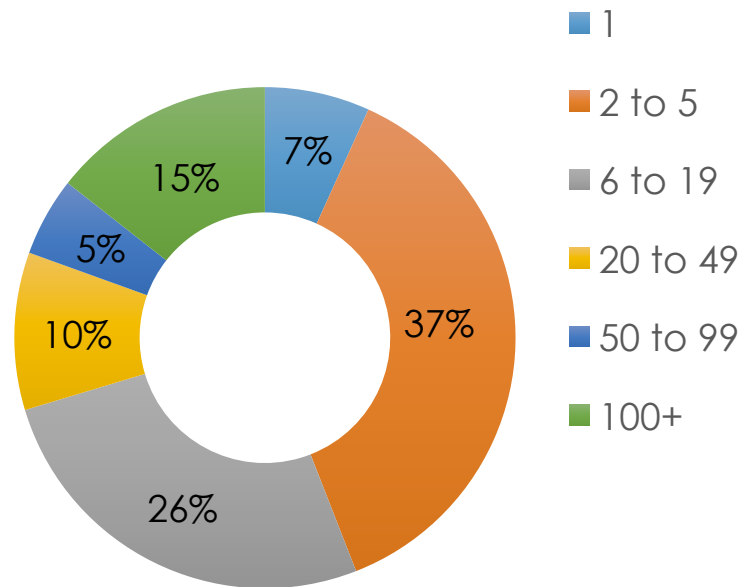
Respondents



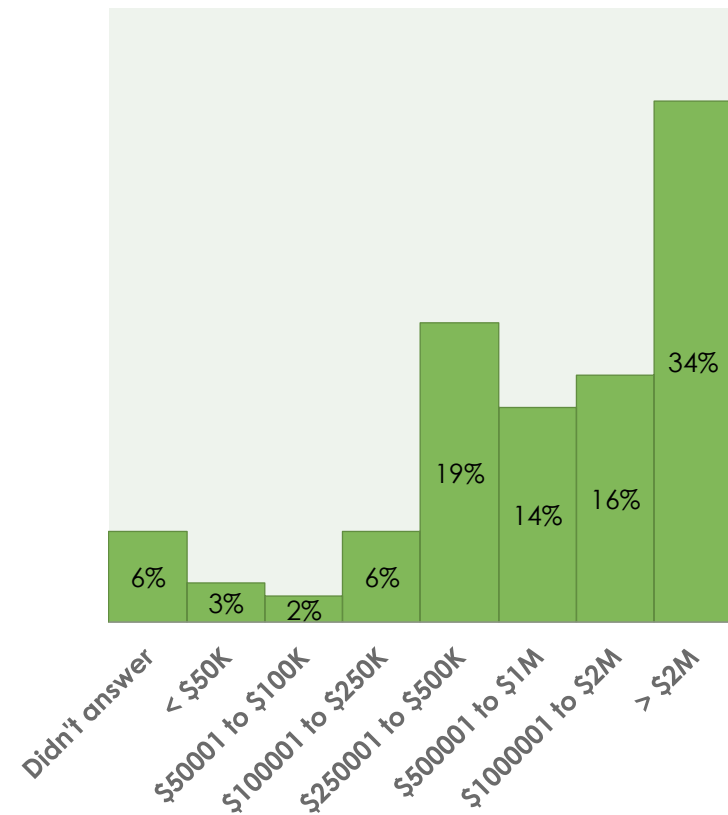
Geography



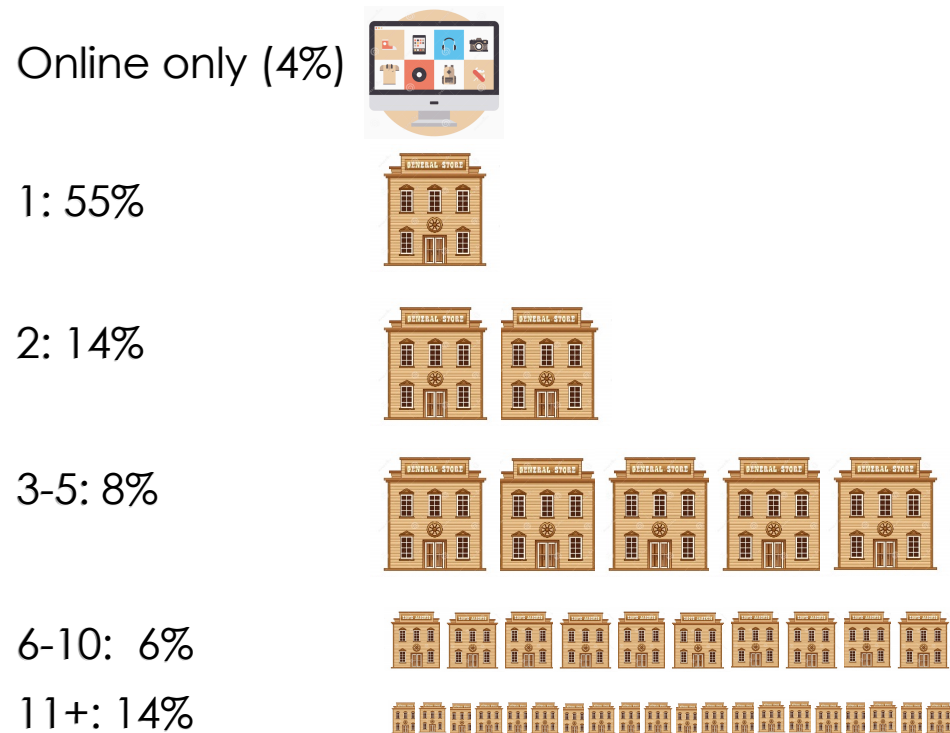
Number of employees



Annual revenue



Number of stores



Sectors

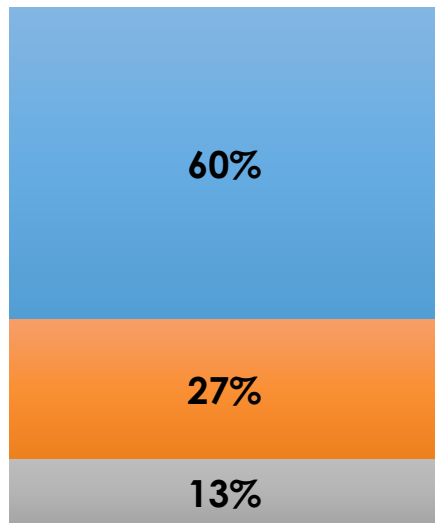




Market confidence

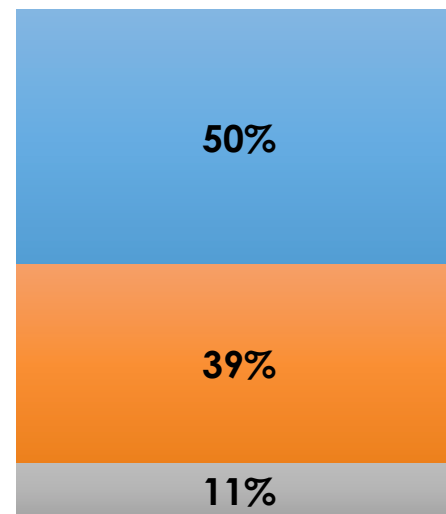
The future is bright!

Change in
business activities
in **last 3** months



■ Decrease ■ Same ■ Increase

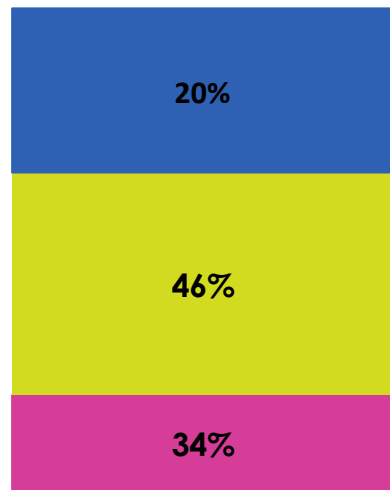
Change in
retail sales in **next 3** months



■ Increase ■ Same ■ Decrease

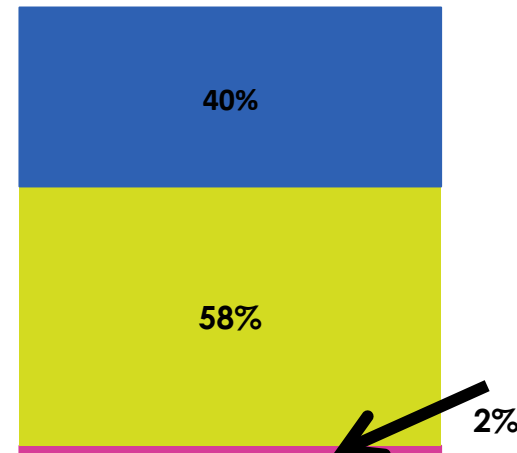
Some stability in the marketplace

Amount of Supplier orders



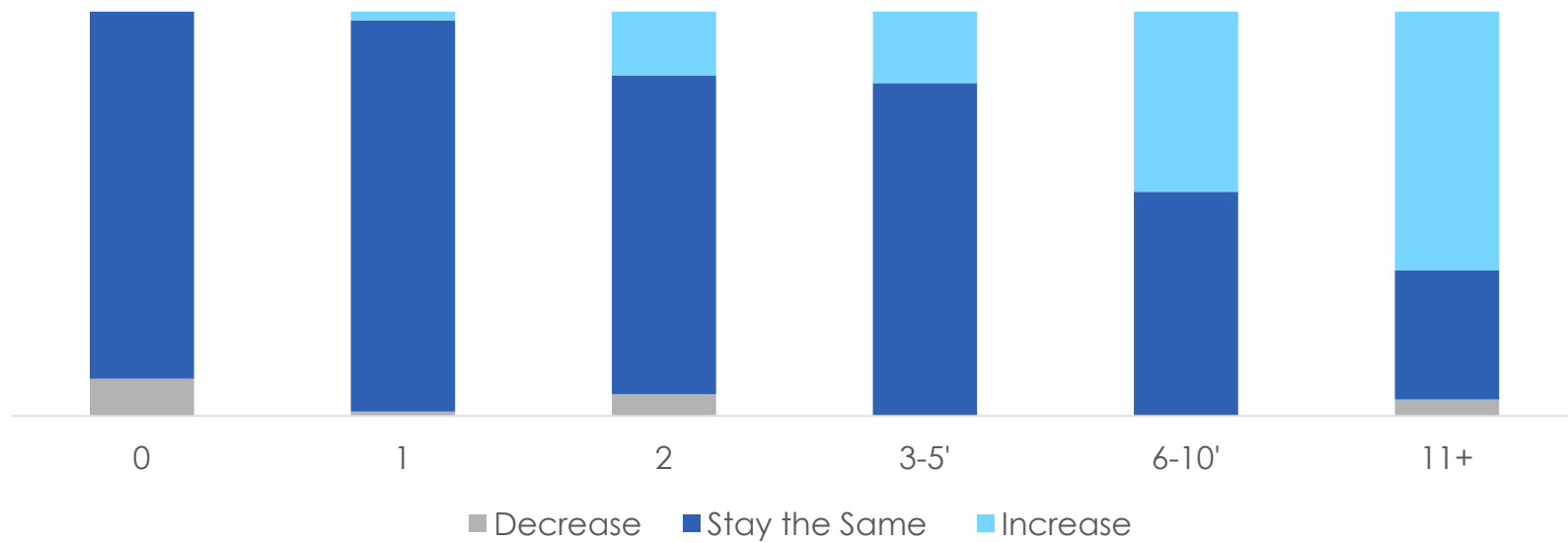
■ Decrease ■ Stay the same ■ Increase

Prices charged to consumers

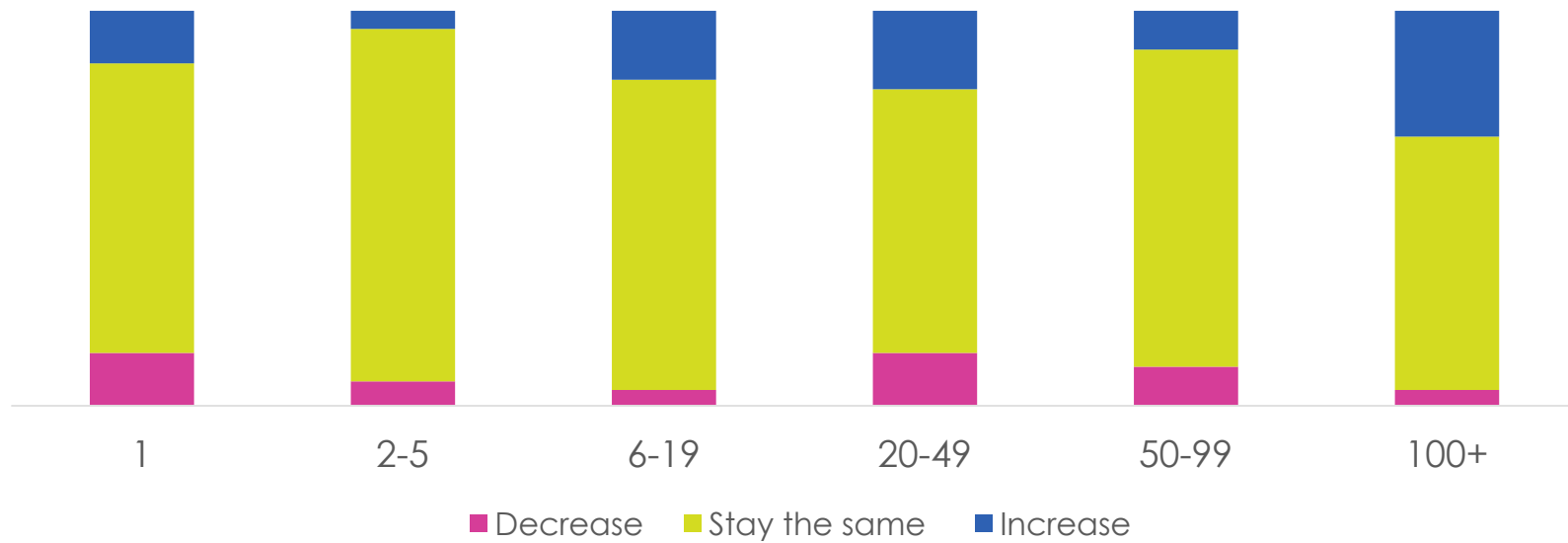


■ Decrease ■ Stay the same ■ Increase

Large companies are most likely to increase the number of stores in next three months



Biggest growth in employment is seen by 100+ employee businesses

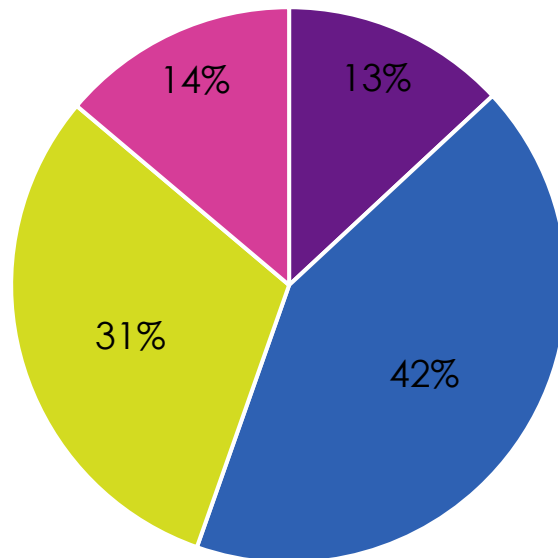




Customer behaviour

Customers are becoming more demanding

■ Strongly agree ■ Agree ■ Neither Agree nor Disagree ■ Disagree



69% NZ wide (in all major cities)

62% Wellington

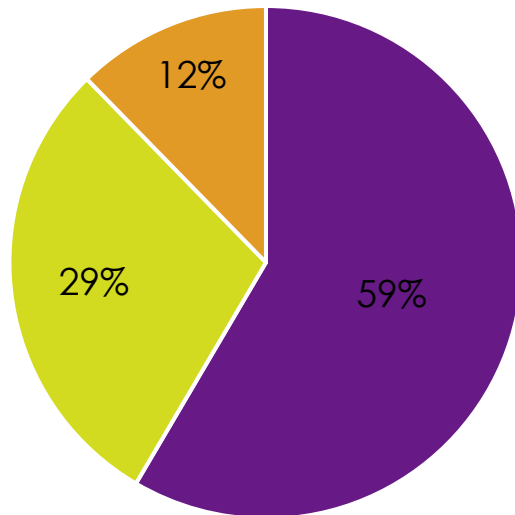
60% Auckland

58% Other South Island town/
city

57% Other Norths Island town/
city

Customers are becoming more price sensitive

■ Agree + Strongly agree ■ Neither Agree nor Disagree ■ Disagree



Areas with the biggest price sensitivity



16% Other



10% Sports/
camping
equipment



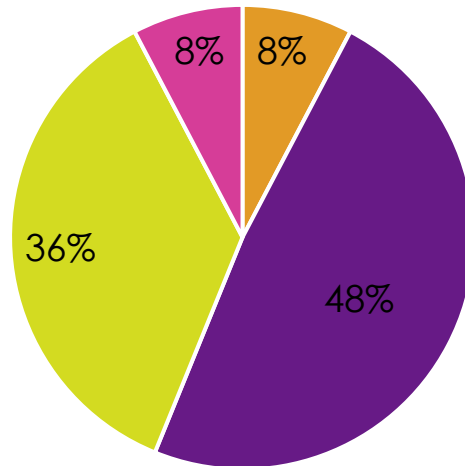
9% Clothing



7% Furniture

My company's customer needs have become more varied over the last 12 months

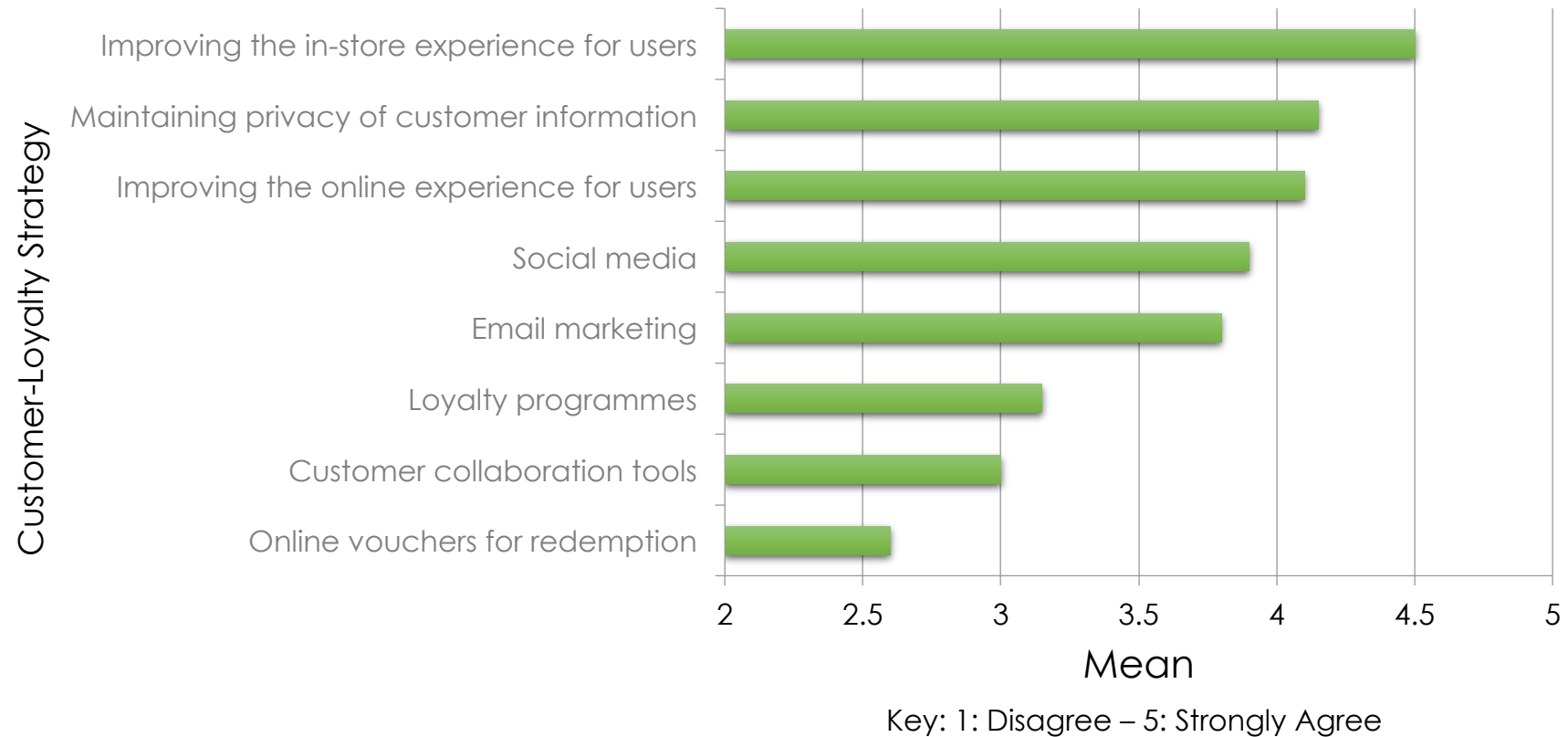
Strongly agree Agree Neither Agree nor Disagree Disagree



All cities except **Dunedin** are experiencing customers with increased variety of needs

Improving the in-store experience is key to loyalty

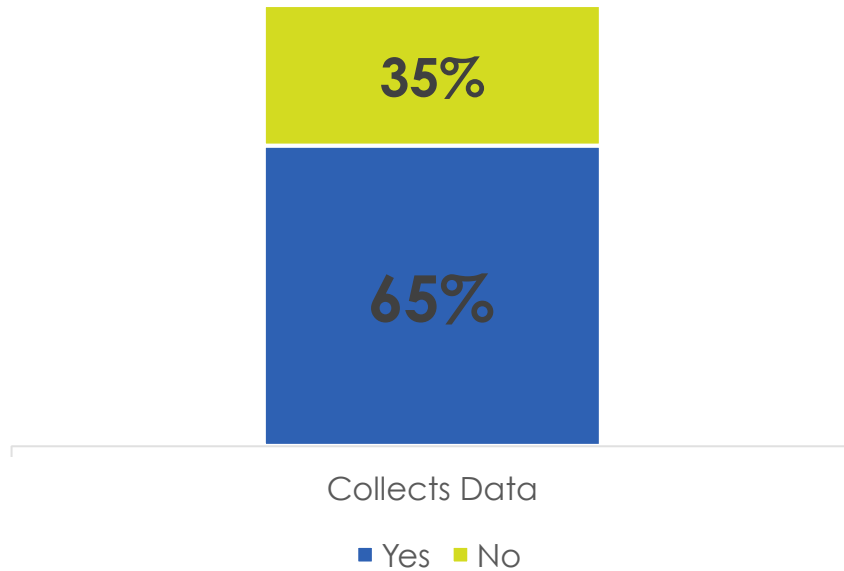
Key driver of customer loyalty





Data

Predominantly sole business owners are the ones who aren't collecting data



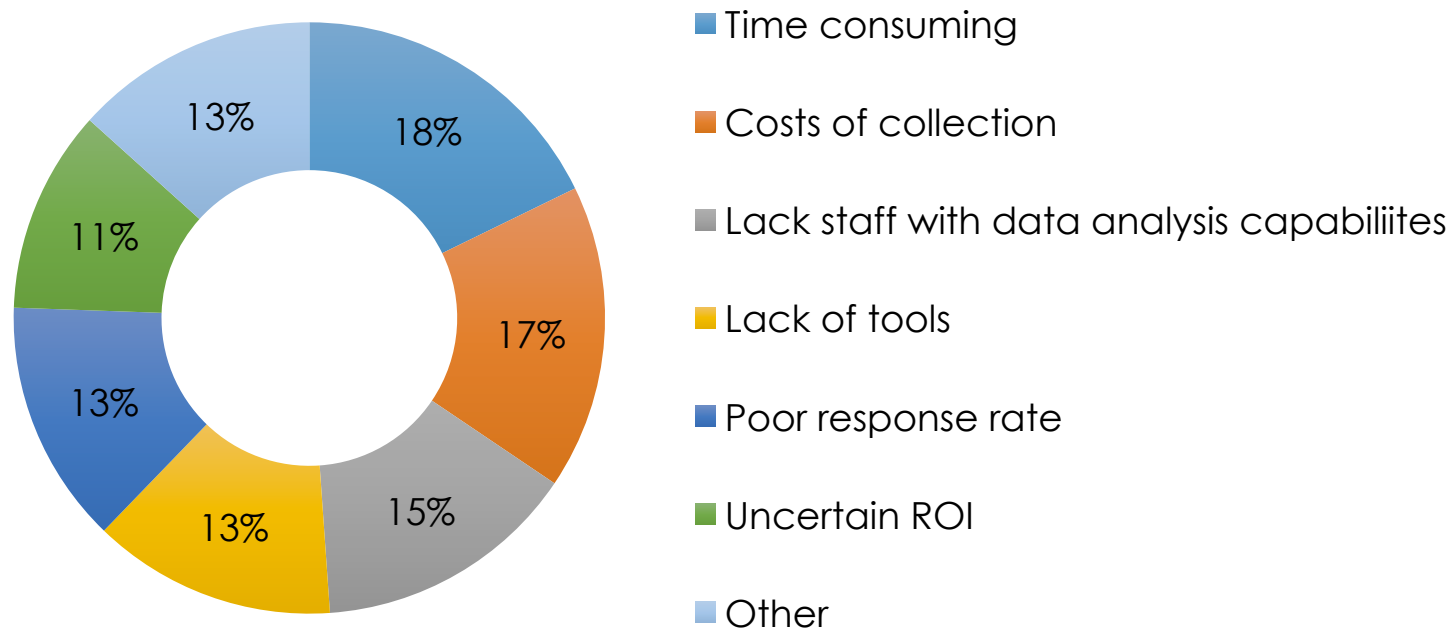
Almost **1** in **4** sole operated businesses is not collecting data



Around **1** in **3** businesses with 2-19 employees are not collecting data



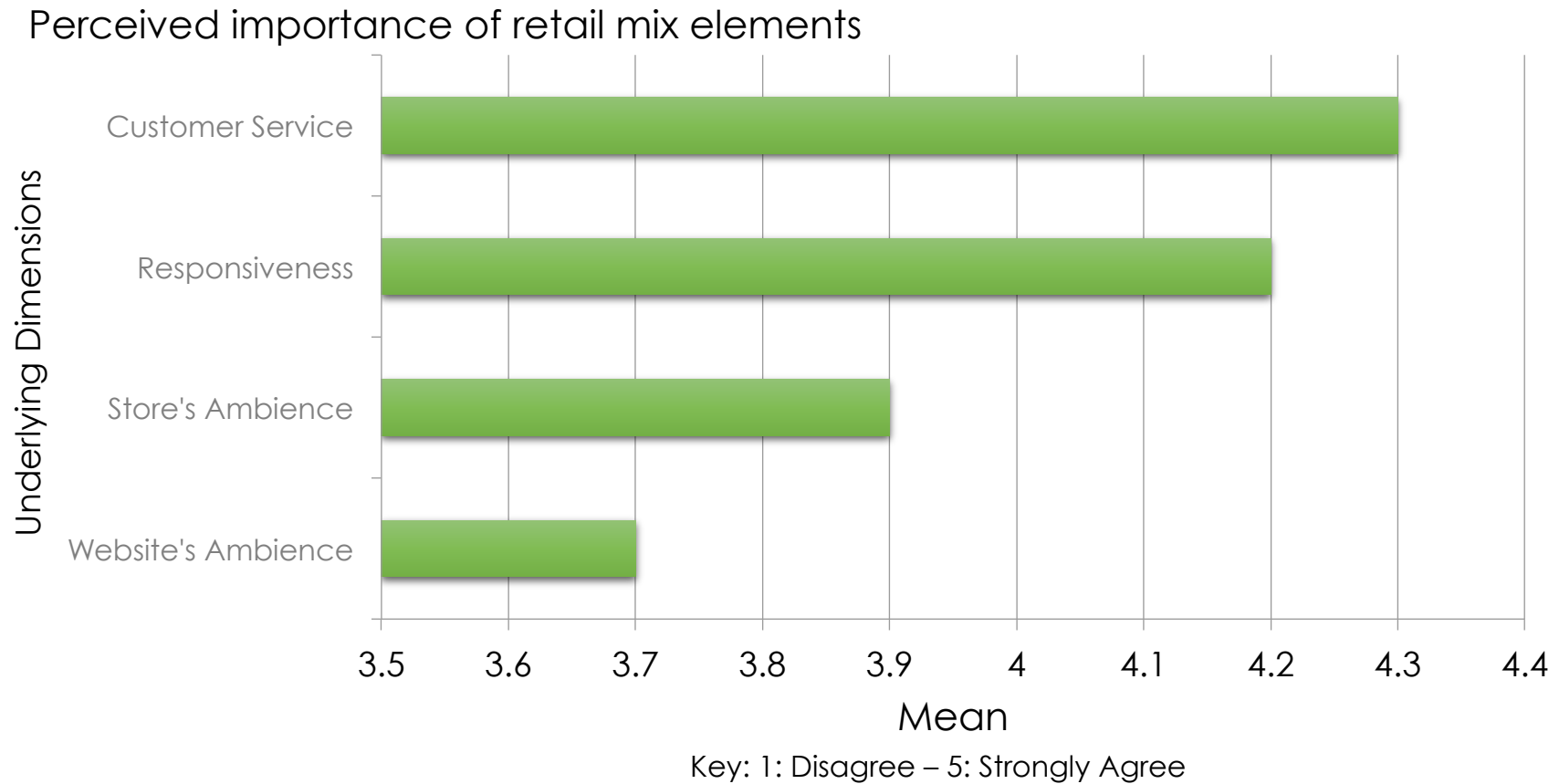
Time is (still) the most common challenge in collecting data





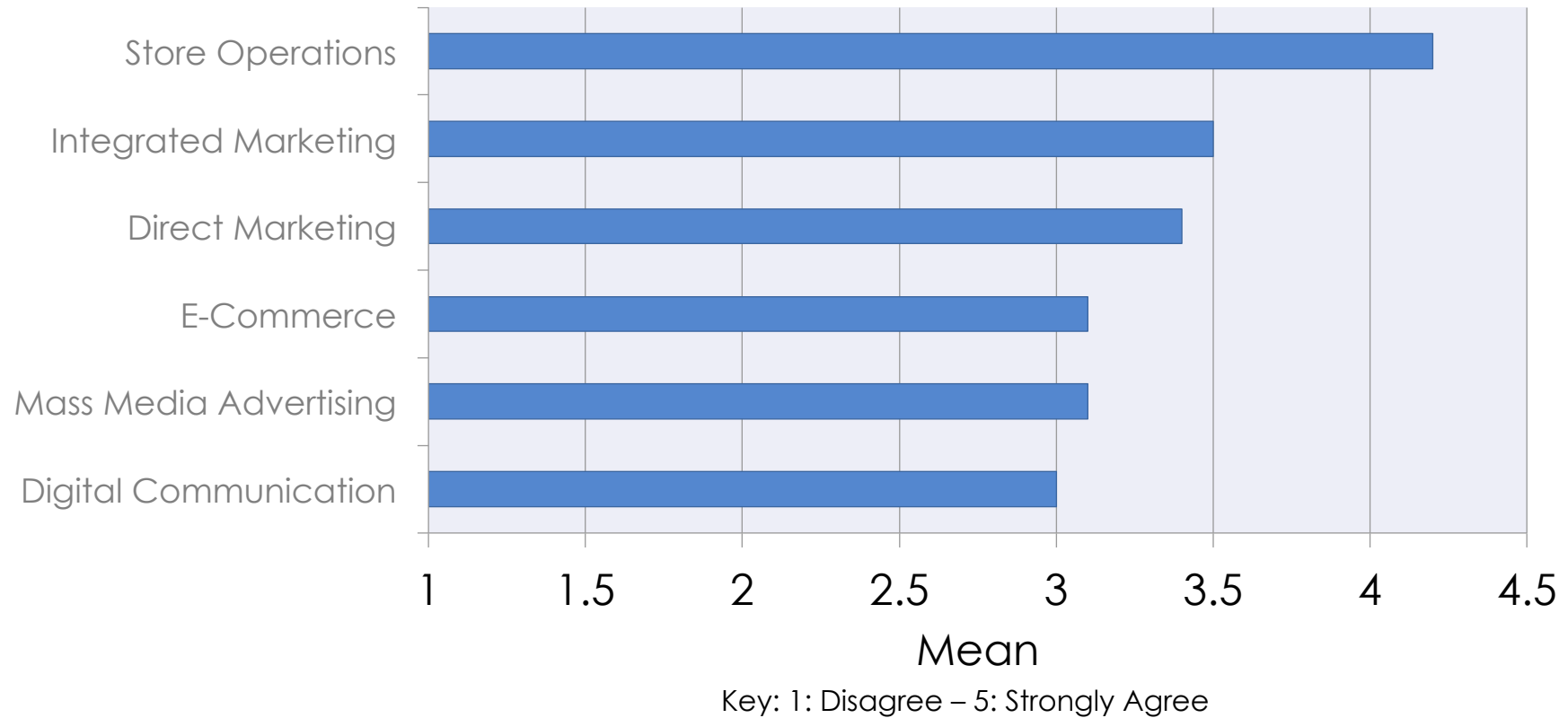
Operating environment

Customer service is key!



Store operations as the key driver of sales

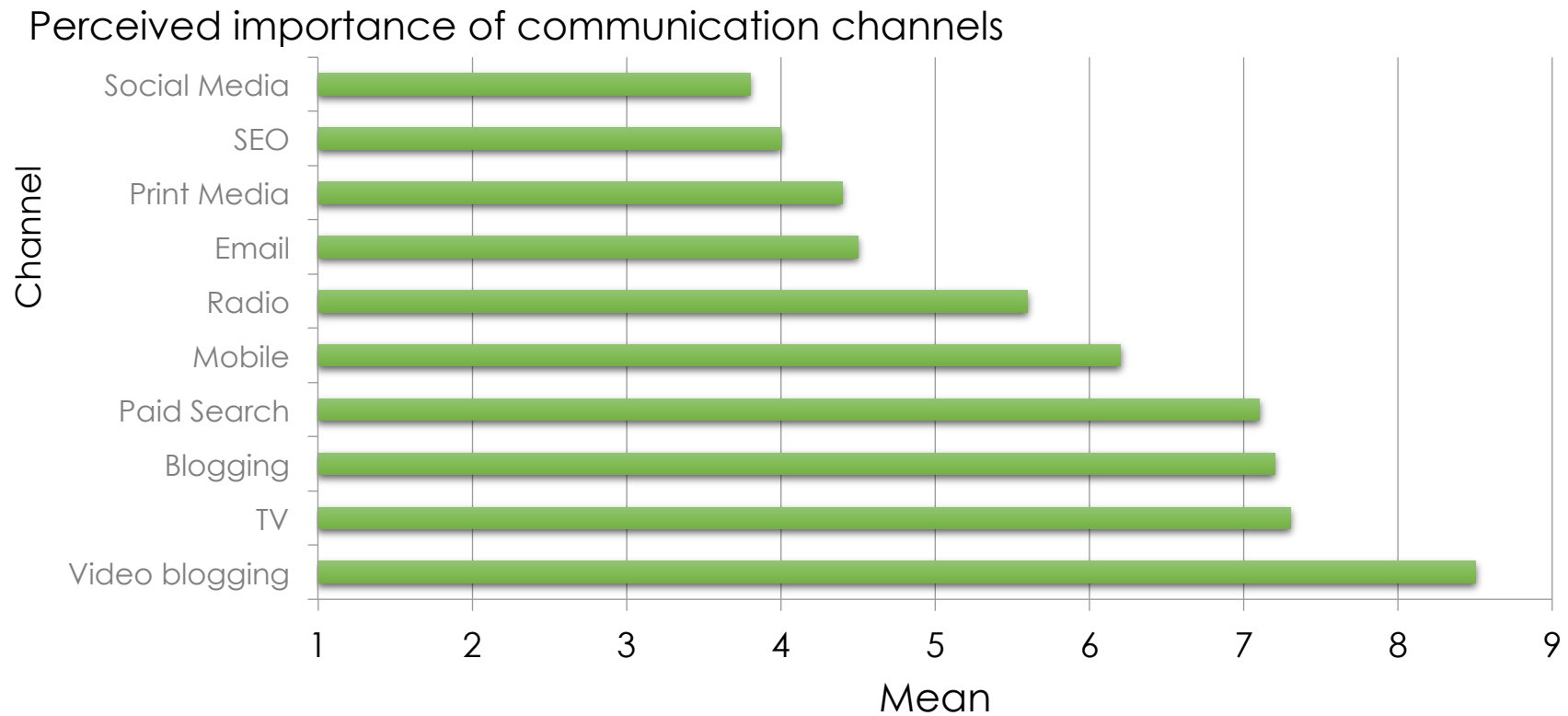
Key driver of sales





Marketing

Social media, SEO, and print(!) are driving the way



Key: 1 Most important; 11 Least important

Greatest opportunity in next 12 months lies in development of online marketing

Expansion into education and services based around our key products

Gaining momentum in advertising via each engine and social media

Diversification and
expanding Internet
and mobile
websites

Collaboration
with other
companies

Targeted marketing to retain and grow brand awareness and sales.

The growth of our website and a further reach to customers via Facebook



[illegible]

Keeping up
with demand
without
effecting
quality of
service

Competing with overseas purchases, where same product purchased cheaper without GST

Reaching the desired market



Human resources

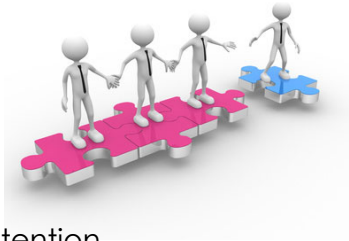
The main human capital challenge facing companies is retention along with remuneration

Biggest immediate challenges or in next 12 months



Staff training and development

Biggest challenges in 2-3 year



Retention

Biggest challenges in 3+ years



Retention



Remuneration



Remuneration



Remuneration

The main challenges facing HR is increasing wages, the aging population, and lack of skills



Universities could aid in developing future employees but giving more hands on experience as well as understanding the needs of the workforce more





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